Public Hearing on:

H.B. 5005 An Act Adjusting The State Budget For The Biennium Ending June 30, 2021

Good afternoon Senator Osten, Representative Walker, Senator Formica, Representative Lavielle and distinguished members of the Appropriations Committee:

My name is Sandra Lavoy and I am the Sr. Vice President of Community Rehabilitation Services with CW Resources, Inc. We have been providing services to people with disabilities in Connecticut since 1964. Within that time, we have supported thousands of individuals in their quest for a job and better life. We provide essential services and span all three (3) Department of Developmental Services regions. Last year we supported over 450 individuals funded by the department. This number represents a decrease from previous years. We have been downsizing our programs and eliminating staff in order to reduce costs to sustain business operations. Later this year we will be closing one of our locations in the West Hartford area due to our inability to pay rent and other occupancy costs.

We have been plagued with inadequate reimbursement rates that do not cover the costs of services. Years without increases coupled with onerous unfunded mandates continue to erode the private sector and negatively impact the lives of the people we are here to serve. Fixed costs continue to rise, and when faced with paying the bills, rent and other non-negotiable costs, we are forced to make cuts to services and reduce staffing. The Result - People in Need go Unserved and Underserved.

I respectfully request that the legislature appropriate \$461 million over five years for community nonprofits. Since 2007, community nonprofits have lost at least \$461 million in state funding that has not kept pace with inflation or adequately covered increased costs and demand for services over the last thirteen years. Now is the Time!! Please:

- 1. Commit to increasing funding by the full \$461 million, or 28%, by Fiscal Year 2025;
- 2. Appropriate \$128 million (a state net of \$67 million after federal reimbursement) in new funding for community nonprofits in Fiscal Year 2021, a 7% increase;
- 3. Index increases to inflation, to ensure that state funding will keep pace with increased costs in the future.

Funding Community Nonprofits is the Responsibility of the State of Connecticut - Not Philanthropists.

Community nonprofits provide essential services, make Connecticut a better place to live and work and improve the quality of life for <u>every citizen</u> when those in need get the help and support they deserve.

Thank you and respectfully submitted by:

Sandra Lavoy, Sr. VP of Community Rehabilitation Services

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